



Connecticut Business & Industry Association

**TESTIMONY
BONNIE STEWART
CONNECTICUT BUSINESS & INDUSTRY ASSOCIATION
BEFORE THE
PLANNING AND DEVELOPMENT COMMITTEE
LEGISLATIVE OFFICE BUILDING
FEBRUARY 23, 2009**

My name is Bonnie Stewart and I am Vice President and Counsel for the Connecticut Business & Industry Association (CBIA). CBIA represents approximately 10,000 businesses throughout Connecticut and the vast majority of these are small companies employing less than 50 people.

I am here today to express CBIA's support for a number of measures before the Committee. They include:

- SB-349, AAC State Mandate Relief
- HB-5529, AAC the Funding of Mandates on Towns.
- HB-5537, AAC Approval of Unfunded State Mandates.
- HB-5550, AA Providing for a Statutory Cap on Unfunded Mandates.
- HB-5558, AAC the Process of Legislative Approval of State Mandates.
- HB-5565, AAC Unfunded State Mandates for Municipalities.
- HB-5869, AAC the Approval Process for Unfunded State Mandates.
- HB-6387, AAC the Small Town Economic Assistance Program.
- HB-6388, AA Providing Mandate Relief to Municipalities.
- HB-6389, AA Promoting Regionalization.

All of these measures will either decrease municipal costs or reduce future mandated costs while still providing needed services. CBIA urges support of these bills.

One important way to control the growth of property taxes is to slow municipal spending. Unfortunately, the state legislature often mandates that municipalities do certain things, but does not fund, or often underfunds, those mandates. This makes it difficult for towns to determine which services are most needed by their residents as well as how to best allocate their resources.

There are seven bills before the Committee today that would either prohibit the passage of new unfunded/underfunded municipal mandates, or require at least two-thirds of the members of the General Assembly to approve such a mandate.

CBIA supports these measures which include:

- SB-349, AAC State Mandate Relief
- HB-5529, AAC the Funding of Mandates on Towns
- HB-5537, AAC Approval of Unfunded State Mandates
- HB-5550, AA Providing for a Statutory Cap on Unfunded Mandates
- HB-5558, AAC the Process of Legislative Approval of State Mandates
- HB-5565, AAC Unfunded State Mandates for Municipalities
- HB-5869, AAC the Approval Process for Unfunded State Mandates.

These measures will help prevent the number of unfunded or underfunded mandates from growing. Please permit towns to have a greater say in how they spend their constituents' tax dollars by approving the abovementioned measures.

Support SB-349, HB-5529, HB-5537, HB-5550, HB-5558, HB-5565, and HB-5869.

CBIA **supports HB-6387**, AAC the Small Town Economic Assistance Program.

This measure promotes regionalization, which should be encouraged. When municipalities work together it results in more efficient, and usually more effective government. That in turn helps reduce property taxes over time.

We urge you to **support HB-6387**.

CBIA **supports HB-6388**, AA Providing Mandate Relief to Municipalities. This measure helps implement the Governor's budget recommendations on mandate relief. It does this by making important modifications to the current binding arbitration laws affecting municipalities. Once change includes ensuring binding arbitration awards do not exceed a municipality's ability to pay such awards, by tying a municipality's ability to pay such awards to property tax increases to the Consumer Price Index.

This measure will significantly help municipalities by placing more realistic growth on binding arbitration awards. In turn, this measure will positively affect property owners.

We urge you to **support HB-6388**.

CBIA **supports HB-6389**, AA Promoting Regionalization. As with HB-6387, this measure promotes regionalization. It does this by implementing the Governor's budget plan to aid towns working regionally, thereby saving tax dollars over time while providing needed services.

Please **support HB-6389**, AA Promoting Regionalization.

Thank you for the opportunity to inform you of CBIA's support of all of the above mentioned measures.

